



Manhattan Retail Market

MID-1ST QUARTER 2015 REPORT





Looking Back - 2014 Retail Activity

Notable Lease Transactions

Although 2014 has come and gone, it delivered several high-figure signings of new deals (excluding department store activity) led by technology firm **Microsoft’s** estimated \$17 million deal for the 20,600-square-foot multi-level store at 677 Fifth Avenue (Midtown).

Tenant	Address	Est.Base Rent/Yr	Sq. Ftge.	District	Submarket
Microsoft	677 Fifth Avenue	\$17MM (\$825 psf)	20,600	Plaza	Midtown
TopShop	608 Fifth Avenue	\$15MM (\$333 psf)	45,000	Plaza	Midtown
Restoration Hardware	9-19 Ninth Avenue	\$9MM (\$129 psf)	70,000	Chelsea / MePa	Midtown South
Bottega Veneta	740 Madison Avenue	\$8MM (\$333 psf)	24,000	Upper East Side	Uptown
NBA	545 Fifth Avenue	\$7.5MM (\$313 psf)	24,000	Grand Central	Midtown
Skechers USA	1515 Broadway	\$7MM (\$1,989 psf)	3,519	Times Square	Midtown
Qela	680 Madison Avenue	\$6MM (\$963 psf)	6,230	Plaza	Midtown
Samsung	837 Washington Street	\$5.6MM (\$320 psf)	17,500	Chelsea / MePa	Midtown South
Whole Foods	1095 Sixth Avenue	\$5.3MM (\$166 psf)	32,000	Penn Plaza	Midtown
Zara	212-222 Broadway	\$5.2MM (\$173 psf)	30,000	FiDi	Downtown



2014 Retail Activity (cont'd)

Notable Investment Sales

The strength of Manhattan’s retail market is reflected in the 2014 roster of retail investment deals throughout the year that have closed, are in contract, or represent a stake purchase. Some of the most expensive transactions reportedly include:

Address	Buyer	Seller	Sq. Ftge.	Price	District	Submarket
World Trade Center Retail Complex	Westfield Group	PANYNJ	365,000	\$800MM* (\$4,383 psf)	WTC	Downtown
50% Stake purchase. Westfield paid \$600MM in 2011 for initial 50% stake, total investment \$1.4 billion						
2 East 55th Street 697 Fifth Avenue	Vornado Realty Trust Crown Acquisitions	Richemont	24,700 + air rights	\$700MM \$28,340 psf	Plaza	Midtown
Deal included retail space at the St. Regis Hotel plus air rights at the non-landmarked Fifth Avenue townhouse						
432 Park Avenue (Retail condo)	Macklowe Properties	CIM Group Macklowe Prop.	74,816	\$450MM* \$6,015 psf	Midtown East	Midtown
Macklowe Properties owns a small stake in the mixed-use property currently under construction						
150 West 34th Street	Starwood Capital Grp Crown Acquisitions	KLM Construction	77,760	\$252MM (\$3,241 psf)	Herald Square	Midtown
Old Navy occupies entire 4-story building which includes air rights to accommodate a 300,000 square foot project						
760 Madison Avenue	SL Green Realty	Est. of John S. Weatherly	16,468	\$232.4MM (\$14,112 psf)	Upper East Side	Uptown
Purchased the land beneath the Giorgio Armani building, part of a \$282.4MM acquisition including 19-21 West 65th Street						
401-403 West 14th Street	TIAA-CREF	Clarion Partners	64,226	\$168MM	Chelsea-MePa	Midtown South
A minority state purchase – percentage not disclosed. Apple Store occupies 46,000 square feet at the 3-story building in a 15-year lease with a 10-year extension option						
522 Fifth Avenue (Retail Condo)	Ashkenazy Acq. Deka Immobilien General Growth	Morgan Stanley	23,600	\$165MM (\$6,991 psf)	Times Square	Midtown
Deal includes 2-condo units with the potential of 26,554 square feet. Morgan Stanley provided 2 pre-approved re-design options that would create a 23,952-square-foot duplex flagship, leaving a residual 542-square-foot boutique-size store that would be added between the building’s lobby and Flagship store. Current tenants Camper and Orvis will be vacating the property in the very near future.						
733-739 Madison Avenue (Retail Co-op)	Chanel	Louis and Anna Abrons Foundation	3,950	\$123.8MM (\$31,342 psf)	Upper East Side	Uptown
Chanel will also pay \$18,000 per month in maintenance fees for the unit at the base of a residential co-op						

*In Contract



Center for an Urban Future - State of the Chains, 2014

A report released by the New York City-based policy institute reveals a significant spurt of expansion amongst chains stores throughout the city in 2014. Growth throughout the year resulted in a 2.8% year-over-year increase in the number of stores amongst the total 309 retailers that were listed on the 2013 ranking — an upward trend that has held steady over the last 6-years straight. Overall, there are 16 national chain retailers in the city with over 100 stores throughout the 5-boroughs.

National Retailer	Total Stores	National Retailer	Total Stores
Dunkin Donuts	536	McDonald's	244
Subway	468	Baskin Robbins	210
Duane Reade/Walgreens	318	Rite Aid	201
metroPCS	294	T-Mobile	185
Starbucks	280	GNC	156

Amongst the city's roster of national retailers, the largest year-over-year expansions included:

National Retailer	Expansion	Total Stores	National Retailer	Expansion	Total Stores
MetroPCS	12.6%	294	Checkers	55.6%	28
T-Mobile	14.9%	185	Chipotle	16.3%	50
CVS	18.6%	140	Cohen's Optical	12.1%	58
GNC	13.0%	156	Family Dollar	10.0%	66
7-Eleven	12.1%	139	Applebee's	15.4%	30

While Manhattan is currently home to 2,808 chain stores, year-over-year change was nominal with only a 0.4% growth. Queens boasted the largest percentage of expansion totaling 6.4% year-over-year resulting in a total of 1,770 chain stores in the borough, followed by the Bronx and Brooklyn with a 4.2% growth totaling 914 locations and a 3.4% growth totaling 1,593 locations respectively. Staten Island was the only borough where growth of the 425 chain stores within the borough remained unchanged.

National chains that reduced their footprint in the city included:

National Retailer	Reduction	Total Stores	National Retailer	Reduction	Total Stores
Cold Stone Creamery	73.3%	4	Crumbs Bake Shop	30.4%	16
Ashley Stewart	50.0%	8	Nathan's	29.2%	17
Blimpie	30.0%	14	Verizon Wireless	16.7%	35

In the News

Saks Fifth Avenue Flagship Refinancing Secured

Saks Fifth Avenue / 611 Fifth Avenue (Plaza) – Toronto, Canada-based Hudson's Bay Company (HBC) refinanced the ground beneath the 665,169-square-foot retail condo, securing a 20-year, \$1.25 billion mortgage from joint lenders Bank of America, Morgan Stanley, Goldman Sachs Mortgage Company, and the Bank of Nova Scotia. The property that has been the home of the luxury department store since 1924 will undergo a \$250 million renovation starting 2015. The strength of Manhattan's real estate market is reflected in the approximately \$3.7 billion appraised value of the property, which was based on the assumption that the entire property is net leased at an estimated fair-market rent by Saks. The updated appraisal equates to a 27.5% increase over the \$2.9 billion HBC paid for the entire Saks chain in 2013.



Upon final closing of the mortgage transaction that was expected to be completed by the end of 2014, close to 80% of HBC's debt will be backed by real estate. Proceeds from the fixed-rate ground mortgage carrying an estimated less than 4.4% interest rate with principal amortization over the 20-year term not required, will be used to pay down a first-lien debt in the neighborhood of \$1.2 billion which bears a floating interest rate of 4.75% and matures in 2020.

The high value of the property reportedly offers great financial potential for HBC as either a source to secure additional debt; or for a spinoff as part of a real estate investment trust (REIT) which brought notable success for ailing retailer Sears Holdings Corp, whose shares jumped 31% following announced plans of efforts to spinoff their properties into a REIT.

Whole Foods Market Turns to Lending

Some retail startups have found a new source of financing as small bank loans typically continue to elude entrepreneurial firms. Food market chain Whole Foods' Local Produce Loan Program (LPLP) that was initiated in 2007 has recently seen significant growth. The program that is currently providing up to \$25 million in low interest loans has been successful in strengthening the partnership between Whole Foods and its vendors; and is focused on supporting local produce companies by providing financial assistance for expansion, with some companies growing to national levels. In addition to the funding benefits, some sources further add that a loan from a large retailer also gives the recipient credibility by association. LPLP further supports startup vendor growth by sponsoring a Local Producer Loan summit, a networking event that the company has held twice since 2013, bringing together loan recipients and buyers from around the world.



TumericALIVE – The Manhattan-based manufacturer of sports recovery drinks tripled sales between 2014 and 2013, reportedly noting that the LPLP loan secured in 2012 was a key factor due to both the additional financial assistance and the forging of a strong partnership with the lender.

Susty Party – The Greenpoint, Brooklyn-based environmentally friendly party tableware secured a loan in 2014 that enabled the company to improve existing machinery to allow the addition of 2-new products that were well received upon their launch to 6-regions by Whole Foods' buyers due in part to the company's participation in the LPLP program.

Shake Shack Goes Public

The announcement of the application by Danny Meyer's Union Square Hospitality to list burger chain Shake Shack on the New York Stock Exchange under the symbol SHAK with an \$80 million initial public offering (IPO) flashed across real estate headlines just 2-days before the end of 2014. The popular eatery that reportedly began as a hot-dog cart in Madison Square Park, expanding to its first permanent kiosk in 2004, now boasts over 63 locations globally. The IPO offering may reportedly value the chain as high as \$1 billion, with sales totaling about \$83.8 million during the 9-month period ending September 24.



The IPO was completed Thursday, January 29th and shares started to trading the following day. Mr. Meyer reportedly controls 21% of the shares equating to 7.4 million shares worth \$140 million according to an updated prospectus for the offering of the 5.8 million shares that were sold at an opening share price of \$47. An additional 30% of the burger chain's stock is controlled by private equity fund Leonard Green & Partners. After the offering, Shake Shack will no longer be a division of Danny Meyer's Union Square Hospitality Group. The company's continued growth will be led by Shake Shack's CEO, Randy Garutti, planning to open 10 new locations per year, of which the first ten under the new public company already secured.



Developing Trends

Brick-and-Mortar Here to Stay

In a world where the word “online” goes hand-in-hand with shopping by the majority of today’s consumers, retailers existing in what has become known as a “virtual” store are seeing a growing roster of companies that are returning to a “real” world brick-and-mortar outpost in some shape or form. Some e-commerce companies have found that a physical presence can significantly boost online sales and more significantly, market their brand. Newcomers will be joining other online retailers that have recently opened locations in the city such as men’s clothing retailer Trunk Club, eyewear company Warby Parker, beauty and skincare retailer Birchbox, and jewelry retailer BaubleBar.

Typically, companies opening stores are currently testing the waters, opening only one or two locations; recognizing that unlike the virtual world, inventory management and retail rents in the physical world can significantly burden finances. Birchbox’s 4,500-square-foot store at 433 West Broadway, within the neighborhood of SoHo that is currently commanding some of the highest rents in the city, came a price of reportedly over \$500 per square foot. Furthermore, pricing discounts offered as a result of eliminating expenses such as rent and middlemen may begin to shrink in order to compensate for increased overhead expense.

Jack Erwin – The men’s footwear startup that launched in 2013 is opening an outpost at 10 Hubert Street (TriBeCa), recognizing that the physical location increases advertising from area foot-traffic; as well as potentially increasing sales from walk-ins.

Rent the Runway – The company that offers designer fashions for rent now has 2 Manhattan locations — 16 West 18th Street (Flatiron) and 163 Varick Street (SoHo).

Bag-all – The environmentally friendly gift bag company founded in 2013 opened its first store in December, leasing 500 square feet at 219 Mott Street (SoHo).

On the other side of the table, landlords are finding that e-commerce companies with their rosters of loyal shoppers offer the potential to increase shopper volume, prompting co-developers Youngwoo & Associates and RXR Realty to focus on attracting e-commerce startups to their **Pier 57 “Superpier”** site that currently offers affordable retail units starting at 160 square feet in brightly hued shipping containers.

Developing Trends (cont'd)

Healthier Consumer Lifestyles Boost Sales for Some

The growing shift towards a healthier lifestyle amongst today's workforce that triggered the swell of fitness centers, health food, and beauty stores throughout the city is enjoying a rise in consumer expenditure that seems to be at an elevated vigor. Fitness centers continue to flourish, particularly the ones that offer lower-cost options:

- **Planet Fitness** - 12 Manhattan locations and a total of 37 throughout the city
- **Blink Fitness** - 9 Manhattan locations and a total of 21 throughout the city
- **SoulCycle** - 11 Manhattan locations and 1 Brooklyn
- **Flywheel** - The boutique fitness studio has 6 Manhattan locations
- **Laughing Lotus Yoga Center** - 1 Manhattan and 1 Brooklyn location



Athletic attire has found a place beyond the gym, replacing jeans and t-shirts as acceptable leisure and weekend wear. A growing number of stores continue to populate city streets.

- **Lululemon Athletica** - 7 Manhattan stores, 1 in Brooklyn; and opening a women's only location mid-2015 in SoHo
- **Under Armour** - 1 Manhattan location opened in 2013
- **Sweaty Betty** - 1 Manhattan location



Completing the quest for a healthy lifestyle, the city is now home to a bounty of health food and beverage outposts that include:

- **Lyfe Kitchen** - The healthy-eating concept restaurant opened its first city location at 250 West 55th Street last November.
- **Sweetgreen** - The health-food chain has 2 Manhattan locations and 1 in Williamsburg, Brooklyn that opened in 2014.
- **Hu Kitchen** - The Paleo/primal¹ diet eatery will be opening its 2nd Manhattan location this year.
- **Juice Generation** - The purveyor of healthy libations has 12 Manhattan locations and 1 in Williamsburg, Brooklyn.
- **Juice Press** - The raw juice and smoothie bar has 19 Manhattan locations and 1 in Williamsburg, Brooklyn.



Walk-In Convenience Prompts Rise in Medical Clinic Growth

In the city where demand for quick service is ever increasing, a significant rise in leasing activity by urgent-care medical facility has surfaced. The volume-based business now boasts reportedly 30 facilities throughout the city, with dozens more expected over the next year. Shifting from upper level floors typically leased in the past, the walk-in centers that offer flexible hours are more frequently selecting high-priced ground floor locations offering high visibility to customers; and more prominent advertisement of their presence. Centers ranging in size from 2,000-6,000 square feet are popping up in neighborhoods such as Williamsburg, Brooklyn and Sunnyside, Queens, that are increasingly attracting young professionals who are new to the area and have not yet found a permanent care provider.

- **CityMD** - Launched in 2010, the company has 32 locations throughout the 5-boroughs; and is planning to add more.
- **ProHEALTH Urgent Care** - The company currently has 6 locations in Staten Island, Brooklyn, and the Bronx; and is planning an additional 9 locations that will add Manhattan and Queens to their roster of city locations.
- **UMD Urgent Medical Care** - Launched in 2012, has 3 locations — Queens, Brooklyn and Manhattan.
- **Urgent Care Manhattan** - Launched in 2010, has 2 locations.
- **Urgent-MD Family Urgent Care Centers** - Launched in 2013, has 1 location in Queens; and 2 in Brooklyn are expected to open before the end of the year at 3448 Nostrand Avenue and 2329 Nostrand Avenue.

However as new facilities enter the market boosting competition, increased operating costs due to higher ground floor rents could impede companies that may see a reduced volume of business than was anticipated to offset overhead expense, further hindered by fixed-rate medical reimbursements that are controlled by insurance companies. This has prompted some centers to add more services such as chronic-care management or more elective services.

¹ Paleo Diet - foods we ate prior to farming and domesticating animals.

Developing Trends

Starbucks – New Concept Stores Coming Online

Popular coffee chain **Starbucks** is planning to introduce 2 new concept stores in Manhattan in an effort to further evolve their brand.

High-end Slow bar Café – The company is currently seeking an 1,800-square-foot location in some of Manhattan's trendier retail corridors for the new concept shop that will reportedly offer a similar atmosphere of some of the cooler, independent shops in the city. A 15,000-square-foot version of the high-end coffee shop dubbed **Starbucks Reserve Roastery and Tasting Room** opened in December in Seattle, WA, and offers coffee connoisseurs an interactive experience dedicated to education and increasing availability of the company's small-lot Reserve® coffees.



Grab-and-Go – The express-type stores will offer a more streamlined menu of only hot and cold coffee with simple pastry-type fare and no seating in spaces that will range from 400-500 square feet. Initially a model of the concept will be tested in Midtown, with plans to open several others if successful.

Upper East Side - Developing Blend of Sophistication and Hip Draws National Retailers

The Upper East Side neighborhood that was once lined with sophisticated well-to-do residents is reportedly enjoying a new vibe from a growing mix of residents with beards and tattoos. Lured by the area's rents that are currently below the city's Lower East Side and Brooklyn's several gentrifying neighborhoods, where they typically had flocked before growing popularity pushed rents higher, the Upper East Side migration has caught the attention of national retailers realizing that a growing number of their customer base live uptown.

Apple – The technology company is rumored to be planning an Upper East Side location in the former bank known as the U.S. Mortgage & Trust Co., 940 Madison Avenue at East 74th Street.



Warby Parker – The high-end eyewear retailer established an outpost at 1209 Lexington Avenue in 2014.

WARBY PARKER

The Meatball Shop - The eatery debuted at 1462 Second Avenue in 2013, and reportedly the outpost currently grosses the highest volume of sales amongst its 6 city locations.



Yumi Kim – The women's clothing brand opened a store at 1331 Third Avenue in 2011

Further driving the uptick in retail activity is the comparatively lower asking rents along some of the Upper East Side's major retail corridors that according to the Real Estate Board of New York's (REBNY) Fall 2014 Retail Report range \$266 per square foot along 3rd Avenue between 60th- and 72nd Street and \$423 per square foot along East 86th Street between Lexington- and 2nd Avenues. In addition, the anticipation of the 2016 opening of Phase 1 of the Second Avenue Subway's "T-line" that will bring new stations at 96th, 86th, and 72nd Streets, has also attributed to heightened activity.





Leasing Activity

Lease Deals to Watch For

Pirch / 200 Lafayette Street (SoHo) – The San Diego, CA-based luxury home décor chain, formerly Fixtures Living, is reportedly in late-stage negotiations to lease 30,782-square-foot multi-level space that spans 7,846 square feet on the lower level, 11,674 square feet on the ground level, and 11,262 square feet on the 2nd floor for the company's first store on the East Coast; absorbing the space that department store J.C. Penney had at one time planned to occupy, abandoning the deal last year.

Urban Market / 525 West 52nd Street & 540 West 53rd Street (Clinton/Hell's Kitchen) – The upscale grocer is reportedly nearing a deal to lease 27,416 square feet as anchor tenant at the base of the pair of rental buildings. A spinoff of Key Foods, Urban Market opened its first location last year in a 16,000-square-foot store at 11 Broadway (Williamsburg); in addition to an upcoming opening in a 17,000-square-foot outpost at 82 Bogart Street (Bushwick). The space spreads across the 1st-floor and basement of the 2-buildings that is part of a 41,000-square-foot retail condominium owned by the Queens-based LeNoble Lumber affiliate LeNoble Properties. Co-developers Taconic, Ritterman Capital, and non-profit group Clinton Housing Development Company are currently in contract to purchase the residential component for a planned redevelopment that will deliver 400-units above the property's retail component.

Lease Deal Highlights

Google / 1535 Broadway Billboard (Times Square) – The anticipated completion of Vornado Realty Trust's 6-story, LED billboard mounted on the Broadway-facing façade of the Marriott Marquis hotel gave rise to a high-level of excitement in the neighborhood. Part of a \$140 million capital improvement program at the site, the digital billboard that is currently the largest in the city is comprised of 24 million LED pixels. The REIT is reportedly asking monthly rents of over \$2.5 million, making it one of the priciest outdoor advertising spaces as well. Google, as the billboard's inaugural client, became the exclusive advertiser for an undisclosed price, utilizing the sign for an advertising campaign that will extend into 2015.

National Basketball Association (NBA) / 545 Fifth Avenue (Grand Central) – The men's professional basketball league leased a multi-level space totaling 23,957 square feet. The deal will see the NBA relocate from its temporary location at 590 Fifth Avenue (Plaza) having vacated their outpost of 13-years at 666 Fifth Avenue (Plaza) following a \$15.2 million lease buyout in 2010. In order to provide the NBA maximum frontage, an existing Starbucks was relocated to a store on the East 45th Street-side of the building, creating 76-feet of frontage on 5th Avenue plus 80-feet on East 45th Street. In addition, the 2nd Floor runs 149-feet along East 45th Street in view of the heavily foot-trafficked commuter side street that runs to-and-from Grand Central Station.

Diesel / 625 Madison Avenue (Plaza) – The high-end denim brand signed a 10-year lease for 4,400 square feet, bringing the building's occupancy to 100%. The deal that also includes 1,400 square feet of basement space was secured at a reported asking rent of \$1,400 per square foot, representing an 83% increase from rent paid by previous tenant, crystal retailer Baccarat.



Leasing Activity (cont'd)

Lease Deal Highlights (cont'd)

Regal Cinemas / 115 Delancey Street (Lower East Side) – Theater chain Regal Entertainment Group will be anchoring the largest tower that is part of Essex Crossing, a multi-tower, 1.9 million square foot mixed-use project being developed by Taconic Investment Partners and L&M Partners. The 15-year lease for 65,000 square feet at the base of the tower is the first lease signing at the project that will add 600,000 square feet of retail to the area — dubbed **Market Line**. Regal's space will sit atop a 30,000-square-foot ground level space that will be home to the Essex Street Market, reportedly a neighborhood staple that will relocate from 120 Essex Street upon the building's delivery.



115 Delancey Street - Rendering

The co-developers were awarded the project in 2013 and will be redeveloping the city-owned site that primarily runs along Delancey Street from Clinton Street to Essex Street and is located within the Seward Park Urban Renewal Area (SPURA). Construction is expected to begin this spring with a late 2017 or 2018 completion.

Today's Mobile / 65 Nassau Street (FiDi) – The retailer of mobile & tablet devices leased 170 square feet in a 10-year deal for part of a ground-floor retail condominium at the base of a 10-story, 20-unit residential condominium. In contrast to the size of the store, the price tag of \$7,400 per month or \$522.35 per square foot was reportedly close to twice the average asking rent in the area. According to the Real Estate Board on New York's (REBNY) Fall 2014 report, the average asking rent for ground-floor retail along the Broadway corridor from Battery Park to Chambers Street is \$265 per square foot. The previous tenant in the space, Tie Gallery was reportedly paying less than \$3,000 per month (\$212 per square foot).

New to Market

119 Spring Street (SoHo) – The 2,100-square-foot co-op that is situated at the base of a 5-story residential building was introduced to the market late November at an asking rent of \$1.4 million per year (\$667 per square foot) by landlord 119 Spring Street Co. The unit that is located between Greene- and Mercer Streets has 25 feet of frontage; and includes 1,250 square feet of basement storage space. Currently home to the Kardashian sisters' Dash boutique which they have been leasing for the last 4-years on a month-to-month basis.



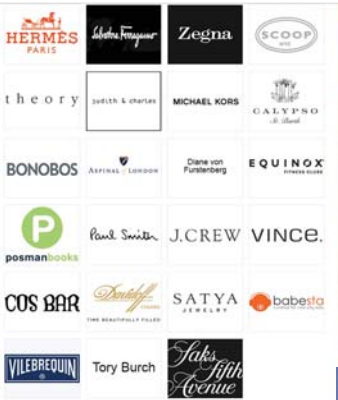
Retail Market Updates

Downtown Alliance - 3rd Quarter 2014 Market Report

The Lower Manhattan BIDS’ market report released in November brings updated news on the progress of the much anticipated 2015 delivery and opening of the large blocks of retail in several complexes nearing completion in Lower Manhattan.

Brookfield Place Retail – While renovations continue at the 200,000 square feet of retail within the 4-building complex, ongoing lease signings continue to grow the roster of new tenants slated to fill the space that is expected to partially open in 2015.

Fulton Transit Center – While no tenant names have been released by management company Westfield Group, the transit hub that is reportedly fully leased will add 65,000 square feet of commercial space, with retail shops and kiosks located on the platform and street levels; and dining and office space to fill the 2nd- and 3rd concourse levels.



Brookfield Place - Retail Snapshot

Westfield World Trade Center – The 350,000-square-foot retail that will spread across the base of 4 World Trade Center and beneath the World Trade Center complex is expected to bring additional dining, retail, and entertainment space when it opens in late 2015, currently about 90% leased; and the new underground passageway seamlessly linking the Fulton Transit Center, World Trade Center Transit Hub, and Brookfield Place.

Fulton Market Building, 11 Fulton Street – An **iPic** movie theater boasting 8-theaters is expected to open in the South Street Seaport this Spring, having received renovation approvals from the Landmarks Preservation Commission. The luxury theater chain offers services and amenities not typical for a movie theater experience. The theater is part of the Howard Hughes Corporation’s redevelopment of the South Street Seaport, with the already completed demolition of the mall on Pier 17 making way for the new 365,000-square-foot retail project expected to be delivered in 2016.

Harbor House Pier A, 22 Battery Place – The renovation of the historic property that formerly served as the headquarters for the New York Harbor Police when it opened in 1886 has been completed after several stalled attempts. Located at the south end of Battery Park City, the 28,000-square-foot facility will add an array of dining on its 1st- and 2nd floors, and special event space on the 3rd floor.



Harbor House - Pier A



Fulton Center - Future Retail Corridor



Westfield World Trade Center - Rendering

Retail Market Updates (cont'd)

New Development Elevates Retail Along 57th Street Corridor

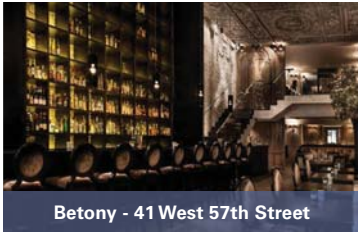
The roster of high-end residential and hotel developments in different stages of planning and construction along 57th Street's prime retail corridor between Lexington- and 8th Avenues, continue to give rise to an anticipated upscale transition from the lingering downscale retailers in the area. Retail storefronts that are turning over for the first time in decades are reportedly being purchased by developers for record prices, while several trendy restaurants begin to line the street creating a "restaurant row;" a growing change that has in part been spurred by the anticipated arrival of high-end department store Nordstrom's Manhattan flagship location at 557 West 57th Street.

Betony / 41 West 57th Street – The 7,200-square-foot Modern American restaurant between 5th- and 6th Avenues debuted in spring 2013.

Wayfarer / 101 West 57th Street – The seafood grill opened in the lobby of the Quin Hotel at 6th Avenue.

Quality Italian / 57 West 57th Street – The steakhouse occupies a 2-level, 11,300-square-foot space since 2013.

Kingside Restaurant / 124 West 57th Street – The restaurant that features New American Cooking opened in the base of the new Viceroy hotel in 2013.



Current asking rents for ground floor retail space on 57th Street average about \$500 per square foot, rising to \$1,250 per square foot between 5th- and Park Avenues; but remaining well below the \$3,420 per square foot figure commanded along 5th Avenue between 49th-59th Streets per the Real Estate Board on New York's (REBNY) Fall 2014 report. The real estate industry will be watching retail activity amongst current availabilities as further signs of the corridor trending upscale.

123-135 East 57th Street – The 72,000 square feet of multi-level space at Lexington Avenue was primarily home to now defunct clothing discount chain **Daffy's** from 1994-2012, who was reportedly paying about \$2 million per year (\$40 per square foot).

6 East 57th Street – Sneaker and sportswear retailer **Niketown** is reportedly exploring a possible relocation from the 25,000-square-foot 5-level store that the company has occupied since the 1980's despite a lease term that runs until 2017 and includes three 5-year options to extend.

432 Park Avenue - The 74,816-square-foot retail at the base of the residential condominium currently under construction was purchased by Macklowe Properties for about \$450 million (\$6,015 per square foot) last summer. The retail component is comprised of 3-condo units and includes over 80 feet of frontage along East 57th Street.

One57, 157 West 57th Street – The high-end condo-hotel is still seeking a tenant for the 5,300 square feet of retail space at the base of the Park Hyatt Hotel that opened in August.

625 West 57th Street – The residential condominium that is currently under construction on the west end of 57th Street by 11th Avenue is expected to add 55,000 square feet of retail space upon delivery in 2016. Currently no commercial leases have been signed.

111 West 57th Street – The delivery of about 50,000 square feet of retail space is reportedly expected in 2016 that is comprised of the repositioning of the former Steinway Hall, 109-113 West 57th Street plus 10,000 square feet of new retail space at the base of a planned residential condominium project.



Sale Activity

Art Galleries Turning to Ownership

Rising prices throughout New York City continue to push art galleries out of neighborhoods, a trend that has recently become very apparent in Midtown South's Chelsea district.

Anton Kern Gallery / 532-534 West 20th Street – The gallery's 4,600-square-foot location that could accommodate 27,500 buildable square feet was sold in November 2014 to developer DDG.

Center548 / 548-554 West 22nd Street – Developer Property Markets Group acquired the 40,000-square-foot property in June 2014 that had served as art gallery, conference and event space for Center548.

To resolve the issue, some galleries are purchasing their spaces —

C24 Gallery / 560 West 24th Street (Chelsea) – The gallery purchased a 2-level, 4,500-square-foot condo unit above the 2nd floor of the new residential condominium for \$12.6 million (\$2,800 per square foot). The unit was designed specifically for art collectors, featuring more modest-sized windows to protect delicate works from intensive sunlight; and walls that have been specially reinforced to accommodate heavy pieces.

Other galleries that opted to purchase in the neighborhood reportedly include **Metro Pictures**, 519 West 24th Street; and **Gagosian Gallery**, 555 West 24th Street.



Sale Activity (cont'd)

Retail Sales to Watch for

503-511 Broadway (SoHo) – The international fashion corporation Inditex is reportedly in contract to purchase the 2-level retail condo totaling 41,188 square feet that will house the company's Zara brand. Based upon the 13,600 square feet of ground level space, the price of \$280 million equated to \$20,588 per square foot, reportedly setting a record for the neighborhood. The deal that is expected to close before the end of January also includes 27,588 square feet of 2nd floor and cellar space, and required Inditex to buy out current tenant Old Navy's existing lease which runs through 2018.

771-775 Washington Street (West Village) – The Harch Group is reportedly in contract to purchase the 2-story, 22,000-square-foot retail building for over \$70 million (\$3,182 per square foot), paying over twice the 2007 figure of \$28 million paid by an undisclosed foreign investor. The property located on the corner of West 12th Street just south of the Meatpacking district includes 20,000 square feet of additional air rights. The Barbuto restaurant occupies the 8,000-square-foot ground space, but the entire building could be net leased for a 2-story retail flagship location near the High Line elevated park.

250 Bowery (NoLita) – The International Center for Photography (ICP) filed applications with Build NYC¹ for tax-exempt financing to help fund the purchase of an 11,009-square-foot retail condo for \$23.2 million (\$2,107 per square foot). The museum is currently located at 1133 Sixth Avenue, but relocating the facility will offer financial advantages as well as more solid stability to attract supporters. The retail unit that is situated at the base of a 24-unit residential condominium completed in 2013 was reportedly sold by majority stake-holder Principal Financial. The Des Moines, IA-based investment management firm had purchased an 85% stake in the retail unit for \$15.4 million last year, acquiring the unit from Tristar Capital who had paid \$15.98 million in 2013 after clothing retailer Anthropologie abandoned plans to lease the space for a store.

8, 10, 12-and 14 Prince Street (NoLita) – Real estate investors Ralph and David Sitt are reportedly in contract to purchase the 4-units totaling 4,000 square feet for \$22.5 million (\$5,625 per square foot) from an entity led by Melvin Lev. The units that are situated at the base of a 6-story residential condominium with units 8, 10 and 14 currently occupied by fashion companies Sandro, Paris-based designer Maje, and Helmut Lang respectively.

Retail Property Sales

102 Greene Street (SoHo) – SL Green purchased the 9,200-square-foot mixed-use property comprised of 2,000 square feet of ground level retail currently occupied by high-end shoe salon Galeria Melissa; and 2 residential units spread across the 2nd- and 3rd floors. The \$32.25 million (\$3,505 per square foot) deal further exemplifies the strength of the retail market as it continues to drive property values upwards. Situated between Prince and Spring Streets in the heart of SoHo's prime retail corridor, the property sold by the entity Bldg Greene Street, LLC had been purchased for \$11.9 million (\$1,293 per square foot) in 2012; and includes an additional 5,500 square feet of air rights for future commercial development.

470 Broome Street (SoHo) – Thor Equities acquired the 19,000-square-foot retail condominium for \$45 million (\$2,368 per square foot) from owner/user Sicis, a mosaic tile company that is relocating to the Bronx. Situated at the base of a 5-story residential condominium, the 3-story unit includes 2 cellars.

285 Lafayette Street (SoHo) – The partnership of Ashkenazy Acquisitions Corporation and Centurion Realty purchased the 3-level retail condominium totaling 30,000 square feet for \$36.25 million (\$1,208 per square foot) from Richard Hadar Funding. Situated at the base of a 30-unit, 9-story residential condominium, current tenants in the space that is divided into 7 stores include the New York Public Library in 16,100 square feet on 3-floors, lease expiring 2012; Florence, Italy-founded pharmacy Santa Maria Novella; and clothing retailer American Apparel which is due to vacate its 7,000-square-foot store in 2015.

85 Fifth Avenue (Flatiron) – Landlord Jeff Sutton, Wharton Properties purchased the 12,946-square-foot retail co-op that is currently home to women's wear and home goods retailer Anthropologie through a lease that runs until 2021. Located on the corner of West 16th Street, the co-op that boasts 16-foot ceiling heights was purchased for \$86 million (\$6,643 blended per square foot); and is comprised of 6,473 square feet on both the ground and lower levels.

¹Build NYC Resource Corporation (Build NYC) is a local development corporation incorporated under the New York Not-for-Profit Corporation Law, is administered by NYCEDC and assists qualified projects in obtaining tax-exempt and taxable bond financing.

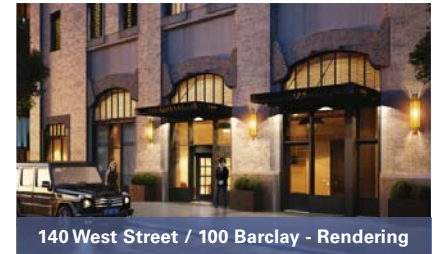
Sale Activity (cont'd)

Retail Property Sales (cont'd)

461 West 14th Street (MePa) – Savanna closed on the purchase of a retail property that is currently under construction for an undisclosed price from Miller's Real Estate Equities and Alfieri Development. The 24,682-square-foot development expected to be completed this year replaces a Mobil gas station; and is located on the corner of 10th Avenue underneath the High Line. A May announcement of the deal had noted an unconfirmed offering price by Savanna of \$85 million (\$5,644 per square foot).

636 Sixth Avenue (Chelsea) – Financial firm TIAA-CREF purchased the 18,280-square-foot condominium for \$42 million (\$2,298 per square foot) from Clarion Partners in December. Drugstore chain CVS recently opened in the space comprised of 9,465 square feet of ground space, and 8,815 square feet of basement selling space as a result of a new long-term lease. The 6-story, 90,000-square-foot building had been purchased in partnership with William Macklowe Company in 2011, but Clarion maintained sole ownership of the retail unit at its base.

140 West Street (World Trade Center) – Magnum Real Estate purchased the roughly 40,000 square feet of retail space for about \$40 million (\$1,000 per square foot) from Verizon. The acquisition comes just over 1-year after purchasing the building's top 21 floors totaling more than 700,000 square feet in partnership with the CIM Group for \$274 million. Rebranding the building as **100 Barclay**, the co-developers are currently repositioning the upper floors into 161 high-end residential units. Verizon continues to own and occupy floors 2-10 at the building, planning to shift most of its staff and telecom infrastructure back to the telecommunication company's 7-story condo unit at 1095 Sixth Avenue.



140 West Street / 100 Barclay - Rendering

34 Cliff Street / 50 Fulton Street (Insurance-FiDi) – Steve Kachanian purchased the adjacent retail properties totaling 10,370 square feet for \$15 million (\$1,446 per square foot) from Jack Vickers last August. The deal includes 19,000 square feet of air rights as part of the 3-story, 7,824-square-foot 34 Cliff Street property purchased for \$9 million (\$335 per buildable-square-foot); and the 2,254-square-foot retail condo at the base of the mixed-used property at 50 Fulton Street for \$6 million (\$2,662 per square foot). Current tenants include McDonald's and Calderon Locksmith.

1114-1120 Madison Avenue (Upper East Side) – Thor Equities purchased the 9,240-square-foot retail co-op unit for \$42.3 million (\$4,578 per square foot) in a deal that reportedly closed in mid-January. Situated at the base of 12-story, 56-unit residential co-operative that is under the address of **25 East 83rd Street**, the retail unit houses 6 tenants and offers space on both the ground and lower levels. Current tenants include Italian restaurant Giovanni Venti Cinique, children's clothing retailer Infinity, and Maui, HI-based brand Letarte Swimwear.

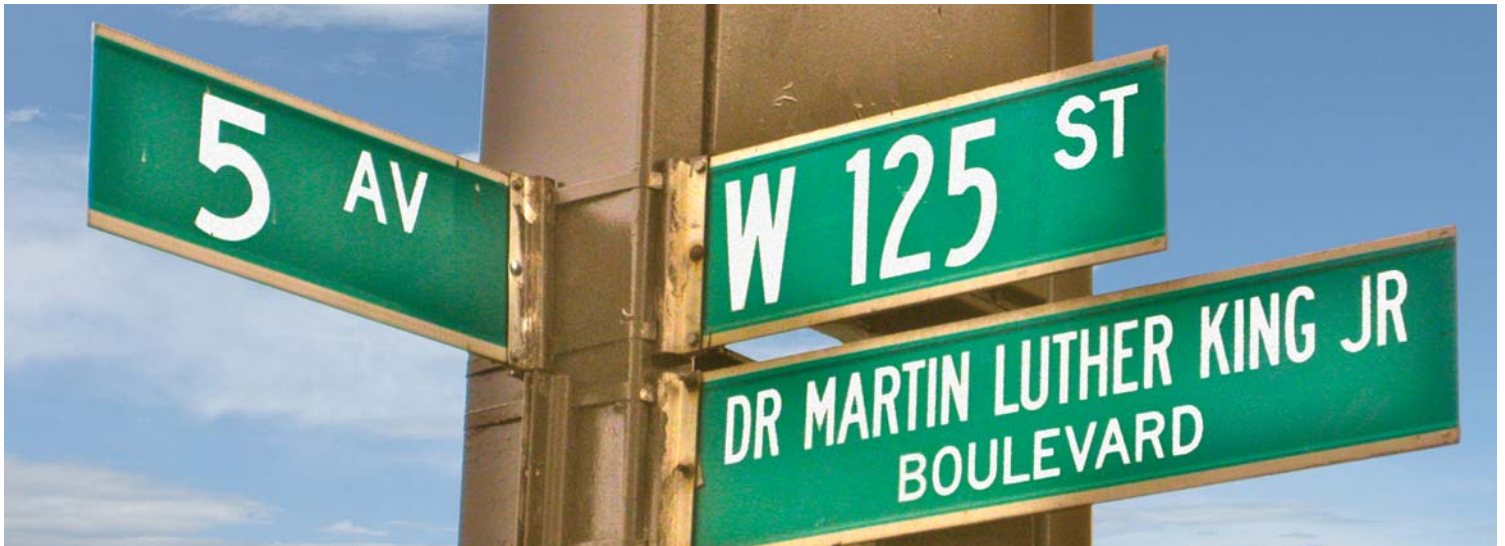
1400-1416 Fifth Avenue (Harlem) – Ashkenazy Acquisition Corporation purchased the 31,000-square-foot retail condominium for \$2.5 million (\$403 per square foot). Situated at the base of an 8-story, 129-unit residential condominium built in 2004 totaling close to 200,000 square feet, the unit boasts about 400 feet of frontage; and is currently home to retail tenants including fitness center New York Sports Club and dog daycare Doggedly Devoted with about 6,000 square feet currently vacant.

Bronx

305- and 309-315 East Fordham Road (Fordham) – Virginia-based private equity firm Harbor Group purchased the 2 contiguous retail properties totaling 30,240 square feet for \$34.6 million (\$1,144 per square foot) from the Jackson Group; reportedly one of the highest prices paid in the borough. The property that is currently 100% leased is comprised of 7 retail stores occupied by tenants including Planet Fitness, Metro PCS, Vitamin Shoppe and Subway.



305- and 309-315 East Fordham Road



Harlem

The ongoing gentrification in Harlem continues with the highest level of activity and development along the 125th Street corridor. Several residential and retail projects are attracting national chains as well as upscale retailers and restaurants. As a renaissance of the neighborhood swells, coffee shops, art galleries, bistros and brasseries are filling the retail shops that are catering to a growing number of consumers with expendable income.

Since the City Council's 2008 comprehensive rezoning of Harlem's 125th Street between Broadway and 2nd Avenue, the corridor has been experiencing a renaissance with a resurgence of significant residential and retail development. Somewhat slowed by the economic downturn, activity is picking up steam once again, perhaps spurred by the opening of Harlem USA in 2000. In addition, the coming of popular food market Whole Foods in 2016 has prompted some industry sources to predict a heightened attraction of consumers from a much broader range that will further elevate local consumer sales.

Whole Foods continues to serve as a catalyst for revitalization, having opened in the Gowanus neighborhood of Brooklyn in 2013, where already an uptick in activity has resulted. Some industry sources further note the tendency for retailers to travel in clusters, needing only one pioneer to precipitate others to follow.

National Chains exploring the area reportedly include Whole Foods competitor **Trader Joe's**, plus rumors that department stores **Macy's** and **Lord & Taylors** may be considering satellite locations to complement their Midtown flagship stores. However rising rents typically go hand-in-hand with increased retail activity, creating financial challenges for some long-time tenants as lease come up for renewal; exemplified by a retail tenant located on Adam Clayton Powell Jr. Boulevard that opened in 1995 at \$700 per month, and is now paying \$5,000 per month.



Retail Development Along the 125th Street Corridor includes:

Harlem USA, 300-322 West 125th Street – The 4-story, 310,000-square-foot retail complex developed by Grid Properties runs an entire block along Frederick Douglass Boulevard between 124th- and 125th Streets; and a retail tenant roster that includes TD Bank, New York Sports Club, Nine West, Modell's, Magic Johnson Theatres, Chuck E. Cheese's.



Harlem (cont'd)



West Harlem Retail Center



100 West 125th Street - Rendering



112 West 125th Street - Render



5-15 West 125th Street - Render

West Harlem Retail Center, 301 West 125th Street – The 5-story, 96,122-square-foot retail complex that delivered in 2013 was co-developed by Aurora Capital, ASH Acquisitions, and the Sigfeld Group. National retailers at the complex include footwear discount retailer DSW, Joe's Crab Shack, Blink Fitness.

One-2-Five Live, 261-269 West 125th Street – The 3-level, 26,000-square-foot retail storefront that was redeveloped by Gotham and Grid Properties opened in 2013. The \$14 million project is currently home to the area's first Red Lobster restaurant.

100 West 125th Street – Wharton Properties' 6-story, 161,000-square-foot retail development is expected to deliver in 2015 and will add food market Whole Foods, clothing retailers Burlington Coat Factory and American Eagle Outfitters, TD Bank, and an Olive Garden restaurant to the growing list of national retailers opening in the neighborhood.

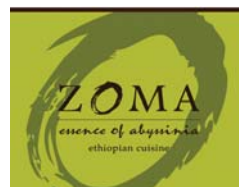
5-15 West 125th Street – The 4-story, 97,899-square-foot retail component that is currently under construction, signed leases with home goods retailer Bed Bath & Beyond and co-work space provider WeWork earlier this year. Slated to deliver in 2015, the space is part of a 130,000-square-foot mixed use development being constructed by Aurora Capital Associates and the Adjmi family.

112 West 125th Street – The 4-level, 36,076-square-foot proposed development is expected to begin construction in 2015 for a 2016 delivery.



While 125th Street has historically represented the heart of Harlem, activity is spreading beyond its borders. South Harlem, the area bound by 124th- and 110th Streets is evolving into a dining hub with an eclectic mix of restaurants — a key driver for change. The growing influx has reportedly been triggered by a changing demographics and a rising median household income that has resulted in a symbiotic relation that seems to self-perpetuate the neighborhood's gentrification. The growing roster of South Harlem restaurants includes American comfort food purveyor **Red Rooster**, 310 Lenox Avenue; Italian bistro **Lido**, 2168 Frederick Douglass Boulevard; Ethiopian restaurant **Zoma**, 2084 Frederick Douglass Boulevard; and eclectic brasserie and jazz club **The Cecil**, 210 West 118th Street.

As with all neighborhoods that sit on the edge of change, there arises a tenor of mixed feelings amongst the long-time residents that helped to cultivate Harlem's identity. While they welcome the benefits of improved services and amenities, rising rents introduce significant financial burdens for some of the long-time shops that are ultimately forced to close.



The Cecil, 210 West 118th Street

Harlem (cont'd)

Other potential retail development along the 125th Street Corridor:

Mart 125, 260-262 West 125th Street – The NYC Economic Development Corporation (NYCEDC) had released a request for proposal (RFP) in 2010 for the purchase and redevelopment of the retail property. The project will include 12,000-14,000 square feet of cultural space operated by the National Jazz Museum in Harlem and ImageNation, an 800-square-foot visitor's center, 2,500 square feet for an eatery or retail store, and a 4th floor for additional commercial use.

69, 71-and 75 East 125th Street / 58 East 126th Street – Greystone & Co. purchased the 4-adjacent parcels through a U.S. Bankruptcy Court auction in December for \$11.5 million. Development plans for the assemblage that had been previously stalled due to the recession will reportedly include 75 market-rate residential units and ground floor retail.

142-96 East 125th Street – Extell Development purchased the property in April 2014 that is currently under long-term lease to grocery store Pathmark. The acquisition includes 300,000 square feet of residential air rights for over 450,000 buildable square feet with an inclusionary housing bonus for future potential redevelopment. The property sold by the East Harlem Abyssinian Triangle Limited Partnership went for \$39 million (\$87 per buildable-square-foot).

In addition to retail development activity, the area boasts other projects in different stages of development and planning:

Columbia University Arts Center, 633-635 West 125th Street – The planned 6-story, 53,000-square-foot art center that is part of the university's \$6.4 billion, 17-acre campus expansion.

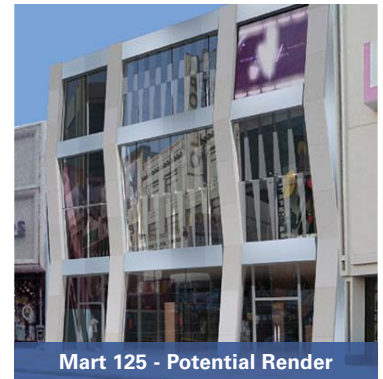
Victoria Theater, 233-235 West 125th Street – The former theater will be redeveloped by Exact Capital and Danforth Development Partners into a mixed-use property comprised of a hotel, residential rentals, office, and community space.

Taystee Building, 426-458 West 126th Street – Co-developers Janus Property and Monadnock Construction were awarded the bid to redevelop the property into a state-of-the-art, mixed-use commercial and retail building.

East Harlem Towers, 1800 Park Avenue – Continuum Company's proposed 32-story, over 633,000-square-foot residential tower that will include 63,200 square feet of commercial space is expected to begin construction in 2015.

Corn Exchange Building, 81 East 125th Street – Artimus Construction was awarded the bid to redevelop the landmark property. The \$17 million project will result in the construction of a 6 additional stories, while undergoing a full rehabilitation of the building that will deliver 22,000 square feet of office space and 9,000 square feet of retail space upon completion.

East Harlem Media, Entertainment & Cultural Center (MECC), 209-249 East 125th Street – The \$700 million, 1.7 million-square-foot mixed-use project that was approved during the Bloomberg Administration, and currently stalled due to landowner holdouts, will ultimately deliver over 1,000 affordable units, 30,000 square feet of dedicated community space and cultural space, office and retail space, a hotel, and public plaza.





Shrinkage & Expansions

Looking to Expand

Amazon, the Seattle, WA-based e-commerce giant that began as an online bookstore in 1994, has become a major retail force to be reckoned with despite falling revenue. The company’s aggressive growth strategies continue to instill fear throughout the global retail industry within the numerous categories in which it competes, significantly intensifying competition with its low cost offerings and fast service that in one example has pressured the largest U.S. book retailer Barnes & Noble to shutter 68 stores over the last 5-years. More recently, the company has entered both the apparel and grocery market with its Amazon Fashion site and Amazon Fresh program.

Other services offered by Amazon that the company is looking to expand in order to further cement its foothold in the Big Apple include:

Amazon Prime – Offers streaming video to its subscribers. the company introduced a pilot program in December to subscribers within one Manhattan zip code area for **Prime Now** which offers delivery service in as little as one-hour between 6 a.m. – midnight. The 12-story, 470,000-square-foot building that Amazon leased in November will reportedly serve as a hub for the recently launched delivery service, although the service will face growing competition from **Instacart**, **Google Express** and **eBay**.

Amazon Locker – Offers a delivery solution for the city’s apartment dwellers without doormen.

Amazon Payments – Facilitates acceptance of purchase payments both online and on mobile devices, reportedly holding a long-range prospect of becoming a financial-services player.



Amazon Fashion, Shopbop, and MyHabit apparel sites that are being further boosted by streamlining the process of fashion shoots in the company’s Williamsburg, Brooklyn studio that was purchased in 2012.

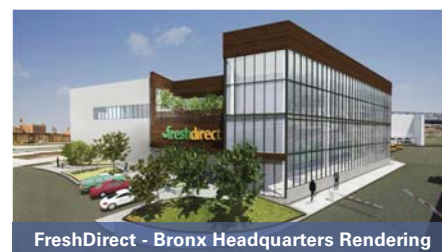


The debut of a New York City pilot program in Brooklyn’s Park Slope of grocery delivery service **Amazon Fresh** last October will introduce competition for **FreshDirect** — New York’s homegrown grocery delivery service that for the most part controlled the majority market share of the city’s customers since pioneering the business in Long Island City, Queens in 2002. Already proving successful in Seattle, San Francisco, and Los Angeles, some sources comment that Amazon’s move to test the waters in the city may have been accelerated to pre-empt Google’s added offering of grocery delivery as part of its same-day delivery service **Google Express** through a deal last June with food market chain Fairway that will serve as Google’s official delivery partner. Amazon doesn’t predict a boost in profits as a result of the Amazon Fresh program, instead the company’s strategy is to keep people within its ecosystem



Shrinkage & Expansions (cont'd)

Efforts to expand the program in New York City brought the announcement of Amazon's lease of a former Pathmark distribution center in Woodbridge, NJ across the Arthur Kill (a tidal strait and major navigational channel of the Port of New York) from Staten Island, betting on economic advantages of warehousing outside the city outweighing any logistic complications of moving goods across the river into the city. The 562,000-square-foot campus that Amazon is reportedly retrofitting as the logistics center for a New York market entrance boasts 111 exterior loading docks, a 125-foot truck court, and parking for 220 trailers that could further intensify competition for FreshDirect which has just begun to break ground on the construction of its new 500,000-square-foot facility in South Bronx, expecting to relocate its facilities there in 2016.



FreshDirect - Bronx Headquarters Rendering

	Amazon	FreshDirect
2013 Revenue	\$73 Billion	\$500 Million
Value of Goods could move at full capacity	\$10 Billion	\$1 Billion

popcart for FRESHDIRECT

In an effort to increase revenue avenues and expand offerings, FreshDirect initiated **Popcart** last August. The launch of the first web technology in the U.S. that instantly turns any online recipe into deliverable ready-to-be-cooked groceries hopes to compete with similar startups **Blue Apron** and **Plated**, signing a deal to partner with the reportedly world's largest social recipe network **Foodily**.

Looming Closures

Radio Shack – The Fort Worth, TX-based electronics retailer RadioShack filed for bankruptcy on February 5th. Failed efforts to restructure the company and lack of a financial solution will result in the expected closure of at least 1,784 stores nationwide by the end of the 1st quarter — 162 stores by February 17; 986 stores by February 28; and the final 636 stores to close by March 31. The store closures will affect New York City, 25 are expected to close in Manhattan, 15 each in Brooklyn and the Bronx, 2 in Staten Island, plus an additional 11 locations in Queens that will result in a combined total of 68 outposts ranging in size from 1,200-5,300 square feet throughout the boroughs.



RadioShack.

The company that at one time was an important player in the technology world began to lose market share as a result of major shifts in technology and retailing bringing strong competition in the wireless business and increased online shopping that eroded its sales.

C.Wonder – The retailer known for its colorful collection of women's clothing, accessories and home décor will be shuttering its stores. Launched in 2011 by Chris Burch, the closure comes as a result of today's highly competitive market. A timeline for the closure of the company's 11 stores has not been announced, but reportedly includes high-profile locations where high rents may have contributed to its demise — 5,100 square feet at 72 Spring Street (SoHo) leased for a 10-year term in 2011; 4,500 square feet at 155 Fifth Avenue (Flatiron); and 7,000 square feet at the Time Warner Center, 60 Columbus Avenue (Columbus Circle). Currently headquartered at 1115 Broadway, the company's office of 36,530 square feet is the result of an 8,635-square-foot expansion in 2013, increasing their original footprint of 24,000 square feet on the building's 5th floor that was leased for 11-years at an asking rent of \$39 per square foot in 2011. While the company's brick-and-mortar presence will slowly vanish, it has been reported that alternatives are being explored and evaluated to find an alternative venue to continue to maintain the C. Wonder experience for its customers.





Notable Retail Transactions

Lease

Address	Submarket	District	Sq. Ftge	Tenant
40 Worth Street	Downtown	TriBeCa	25,014	NYC Elite (relocation)
115 Delancey Street*	Midtown South	Lower East Side	65,000	Regal Cinemas
114 Fifth Avenue	Midtown South	Union Square	15,964	Lululemon Athletica
1095 Sixth Avenue**	Midtown	Penn Plaza	42,996	Whole Foods
10 East 53rd Street	Midtown	Plaza	32,000	Equinox
545 Fifth Avenue	Midtown	Grand Central	23,957	National Basketball Association (relocation)
475 Fifth Avenue	Midtown	Grand Central	15,500	Muji
757 Third Avenue	Midtown	Plaza	12,204	CVS Pharmacy
740 Madison Avenue	Uptown	Upper East Side	24,000	Bottega Veneta

*New construction expected to break ground Spring 2015
 **Renegotiated 2013 lease of 36,130 square feet due to delivery issues

Sales

Address	Submarket	District	Sq. Ftge	Sold Price	Purchaser
140 West Street*	Downtown	World Trade Center	40,000	\$40,000,000	Magnum Real Estate
285 Lafayette Street	Midtown South	SoHo	30,000	\$36,250,000	Ashkenazy Acquisitions Corp Centurion Realty
470 Broome Street	Midtown South	SoHo	19,000	\$45,000,000	Thor Equities
636 Sixth Avenue	Midtown South	Chelsea	18,280	\$42,000,000	TIAA-CREFF
85 Fifth Avenue	Midtown South	Flatiron	12,946	\$86,000,000	Wharton Properties (co-op)
1114-1120 Madison Avenue	Uptown	Upper East Side	9,420	\$42,300,000	Thor Equities (co-op)
1400-1416 Fifth Avenue	Upper Manhtn	Harlem	31,000	\$2,500,000	Ashkenazy Acquisitions Corp

*Square footage and price approximate



For More Information Please Contact:

212.400.6060 • www.absre.com

200 Park Avenue South, 10th Floor, New York, NY 10003